

**RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SAN BERNARDINO PURSUANT TO APROVAL OF SUBORDINATION AGREEMENT FOR REAL PROPERTY LOCATED AT 597 EAST 29<sup>TH</sup> STREET, SAN BERNARDINO, CALIFORNIA**

WHEREAS, on January 9, 2012, the Mayor and Common Council of the City of San Bernardino (“Council”) adopted Resolution No. 2012-12 confirming that the City of San Bernardino would be the Successor Agency to the Redevelopment Agency (“Agency”) of the City of San Bernardino ("Successor Agency") effective February 1, 2012, pursuant to AB1X 26 (The Redevelopment Agency Dissolution Act); and

WHEREAS, on January 23, 2012, the Council adopted Resolution No. 2012-19 providing for the City to become the Housing Successor and to perform housing functions previously performed by the Agency; and

WHEREAS, pursuant to Health & Safety Code Section 34181(c) of ABIX 26 the Oversight Board is to direct the transfer of housing responsibilities, including all rights, powers, duties, obligations and assets, to the Housing Successor; and

WHEREAS, pursuant to Health & Safety Code Section 34176(e)(1) of AB1484 the restrictions on the use of real property such as affordability covenants entered into by the Agency are considered a housing asset; and

WHEREAS, a Deed of Trust affecting real property exist as of April 26, 2008, and recorded on May 15, 2008 as Instrument Number 20080220355 in the Official Records of the County of San Bernardino (“Deed of Trust”); and

WHEREAS, the terms of the Deed of Trust allow the Trustor to obtain the release of the security interest of the First Mortgage Lender in the property for the purpose of a third-party lender which refinances the purchase money mortgage of the First Mortgage Lender; and

WHEREAS, an escrow has been opened on the real property located at 597 East 29<sup>th</sup> Street San Bernardino, California (the “Property”) affected by the Deed of Trust in which owners cannot proceed on a refinance and a clear lenders title policy cannot be provided to the new lender of the Property; and

1 WHEREAS, the Oversight Board desires to confirm that the Deed of Trust is a housing  
2 assets and/or housing function, and desires to authorize Successor Agency staff to transfer all rights  
3 and interests in the Deed of Trust to the City in its capacity as the Housing Successor Agency; and

4 WHEREAS, Successor Agency staff shall cause to be signed and recorded a  
5 SUBORDINATION AGREEMENT for the purposes of causing the new third-party lender to have a  
6 security interest in the property senior to that of the Successor Agency

7 WHEREAS, the State of California Department of Finance, the County Auditor-Controller  
8 of the County of San Bernardino and the Office of the Chief Executive Officer of the County of San  
9 Bernardino have been properly notified prior to the adoption of this Resolution SBOB/2012-14.

10 NOW, THEREFORE, BE IT RESOLVED BY THE BOARD MEMBERS OF THE  
11 OVERSIGHT BOARD, AS FOLLOWS:

12 **Section 1.** Pursuant to Health & Safety Code Section 34176, the Oversight Board for the  
13 City of San Bernardino as Successor Agency to the Redevelopment Agency of the City of San  
14 Bernardino does hereby find and determine the Deed of Trust to be housing assets and does hereby  
15 direct Successor Agency staff to sign and cause to be recorded the Subordination Agreement in its  
16 capacity as the Housing Successor Agency, in order to allow the City to act on the request to  
17 approve the subordination agreement of the Deed of Trust as described as Instrument Number  
18 20080220355 in the Official Records of the County of San Bernardino.

19 **Section 2.** Upon approval by the City Council acting in its capacity as Housing  
20 Successor Agency, the City may authorize Carey Jenkins, Director of Housing, to effectuate the  
21 execution of such Subordination Agreement cause it to be recorded in the Official Records of the  
22 County of San Bernardino.

23 **Section 3.** This Resolution shall take effect from and after its date of adoption by this  
24 Board and the expiration of five business days from its transmittal to the Department of Finance.

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1           **RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR**  
 2           **AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SAN**  
 3           **BERNARDINO PURSUANT TO APROVAL OF SUBORDINATION**  
              **AGREEMENT FOR REAL PROPERTY LOCATED AT 597 EAST 29<sup>TH</sup>**  
              **STREET, SAN BERNARDINO, CALIFORNIA**

4           PASSED, APPROVED AND ADOPTED THIS 22<sup>nd</sup> day of October, 2012, by the  
 5 following vote:

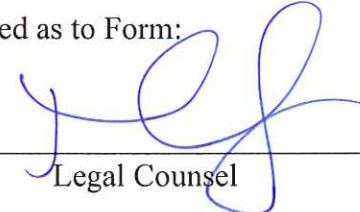
6 <u>Board Members:</u>	<u>Ayes</u>	<u>Nays</u>	<u>Abstain</u>	<u>Absent</u>
7 JENKINS	<u>X</u>	_____	_____	_____
8 HEADRICK	<u>X</u>	_____	_____	_____
9 MACIAS-HARRISON	<u>X</u>	_____	_____	_____
10 HILL	<u>X</u>	_____	_____	_____
11 LONGVILLE	<u>X</u>	_____	_____	_____
12 O'TOOLE	<u>X</u>	_____	_____	_____
13 MORRIS	<u>X</u>	_____	_____	_____

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 15   
 16 \_\_\_\_\_  
 Secretary

17 The foregoing Resolution is hereby approved this 22nd day of October, 2012.

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 Jim Morris, Chairman  
 Oversight Board for the City of San Bernardino  
 As Successor Agency to the Redevelopment  
 Agency of the City of San Bernardino

21 Approved as to Form:

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 24 By: \_\_\_\_\_  
 Legal Counsel